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October 20, 2005

## VIA HAND DELIVERY

Mary L. Cottrell, Secretary Department of Telecommunications and Energy One South Station, Second Floor Boston, MA 02110

Re: Investigation by the Department of Telecommunications and Energy on its own

motion, pursuant to G.L. c. 159, §105, and G.L. c. 164, §76, to increase the

participation rate for discounted electric, gas and telephone service.

D.T.E. 01-106/05-55/05-56

## Dear Secretary Cottrell:

In compliance with the Department of Telecommunications and Energy's ("Department") October 14, 2005 Order in the above-referenced proceedings, please find attached Western Massachusetts Electric Company's ("WMECO" or "Company")) proposed Residential Assistance Adjustment Clause ("RAAC"), MDTE No. 1039A.

WMECO believes the attached tariff complies in all respects with the Department's directives in D.T.E. 01-106-C. Consistent with that Order, the difference between low-income discount costs before and after June 30, 2005 will be projected and recovered through WMECO's transition charge. True-up of the projected cost to actual costs will be effected through WMECO's annual transition charge reconciliation filing.

WMECO's RAAC tariff filed today does not include a request for a specific Residential Assistance Adjustment Factor ("RAAF"). WMECO will be submitting a rate change filing to the Department in November 2005 to put in place, for January 1, 2006, rates approved by the Department in D.T.E. 04-106 (base rate settlement). WMECO intends to calculate a RAAF, to be effective January 1, 2006, for inclusion in that November filing. By coordinating the timing of base rate changes and a RAAF, WMECO will minimize the number of rate changes for WMECO's customers. In addition, waiting to file WMECO's projected charge until November has a further benefit. At present, there is considerable movement on and off the Company's low-income rates. By the latter part of next month, WMECO will have a clearer idea of enrollment on low-income rates, and, thus, will be in a better position to estimate prospectively a RAAF for the following 12 months.

As the Department is aware, WMECO began enrolling customers on the low-income rate through the Executive Office of Health and Human Service computer matching program in August. The rate charge to be proposed by WMECO for January 1, 2006 will include all revenues determined by a cost recovery mechanism for lost revenue associated with increased

Basic Service rates will also change for all customers on January 1, 2006.

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customer participation in WMECO's two discounted rates, dating from the initiation of the computer matching program, as provided by the Department's Order. D.T.E. 01-106-C, pp. 13-14.

Enclosed is the \$100 fee for WMECO's proposed tariff. Please contact me should you have any questions in this regard.

Very truly yours,

Stephen Klionsky

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cc: Andrew Kaplan
Jeanne Voveris
Elizabeth Cellucci
Ronald LeComte
Kevin Brannelly
Joseph Rogers
Colleen McConnell
Service List, D.T.E. 01-106

Enclosure